

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: TENTATIVE DESIGNATION OF REDEVELOPER
DISPOSITION PARCEL 9D and PARCEL 9E
IN THE SOUTH END URBAN RENEWAL AREA
PROJECT NO. MASS. R-56

AS
REVISED

WHEREAS, the Boston Redevelopment Authority, (hereinafter referred to as the "Authority"), has entered into a contract for loan and capital grant with the Federal Government under Title I of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified Project; and

WHEREAS, the Urban Renewal Plan for the South End Urban Renewal Area, Project No. Mass. R-56, (hereinafter referred to as the "Project Area"), has been duly reviewed and approved in full compliance with local, State and Federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and carrying out of urban renewal projects with Federal financial assistance under said Title I, including those prohibiting discrimination because of race, color, sex, religion or national origin; and

WHEREAS, the Boston Center for the Arts and Chestnut Development Associates have expressed an interest in and has submitted a satisfactory proposal for the development of Disposition Parcel 9D and Parcel 9E in the South End Urban Renewal Area; and

WHEREAS, the Authority is cognizant of Chapter 30, Sections 61 through 62H of the Massachusetts General Laws, as amended, with respect to minimizing and preventing damage to the environment:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That the Boston Center for the Arts and Chestnut Development Associates be and hereby are tentatively designated as Redeveloper of Disposition Parcel 9D and Parcel 9E in the South End Urban Renewal Area subject to:

- (a) Concurrence in the proposed disposal transaction by the Department of Housing and Urban Development;
- (b) Publication of all public disclosure and issuance of all approvals required by the Massachusetts General Laws and Title I of the Housing Acts of 1949, as amended;
- (c) Submission within ninety (90) days in a form satisfactory to the Authority of:
 - (i) Evidence of the availability of necessary equity funds, as needed; and
 - (ii) Evidence of firm financial commitments from banks or other lending institutions; and

- (iii) Final Working Drawings and Specifications; and
- (iv) Proposed development and rental schedule.

2. That disposal of Parcel 9D and Parcel 9E by negotiation is the appropriate method of making the land available for redevelopment. The tentatively designated Redeveloper specifically agrees to pay a fair reuse value based upon independent appraisals established in accordance with the Authority's usual disposition procedures.

3. The tentatively designated Redeveloper must make an immediate good faith payment of \$2,000 towards the presently outstanding rental arrearages, with the total remaining balance of rental arrearages due and payable as a condition precedent to final designation by the Authority.

4. That it is hereby found and determined that the proposed development will not result in significant damage to or impairment of the environment and further, that all practicable feasible means and measures have been taken and are being utilized to avoid or minimize damage to the environment.

5. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105(E) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement for Public Disclosure" (Federal Form H-6004).

MEMORANDUM

May 12, 1983

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: SOUTH END PROJECT, MASS. R-56, TENTATIVE DESIGNATION OF
BOSTON CENTER FOR THE ARTS AND CHESTNUT DEVELOPMENT
ASSOCIATES, JOINT VENTURES, AS REDEVELOPER OF REUSE PARCEL
9D AND 9E

Parcel 9D (557-576 Tremont Street) and Parcel 9E (St. Cloud Hotel, 565-569 Tremont Street) are bounded by Union Park Montgomery, Clarendon and Tremont Streets, and consist of approximately 6,140 square feet of land.

The joint venture has proposed to redevelop the properties into a mixed-use condominium development consisting of 23 market-rate residential units (19,375 square feet), 9 below-market artists' studios (5,970 square feet), and art related ground floor commercial/restaurant (10,200 square feet).

The joint venture will retain ownership of and lease the nine artists' studios to low and moderate income artists. A deed restriction will control the occupancy of these units. Rents will not exceed 30% of the income of tenants whose income cannot exceed 80% of the metropolitan median.

This redevelopment approach was developed by the Boston Center for the Arts, which was required by its lease with the Authority to formulate a renovation plan for the buildings. As a condominium development, the properties will be removed from the Boston Center for the Arts' lease, be subject to appraisal by the Authority and, upon final designation, will be conveyed in accordance with a Land Disposition Agreement controlling this mixed-use development.

The Land Disposition Agreement will specify the details of how the joint venture will redevelop the buildings and sell the 23 market-rate residential units but be required to retain ownership of the studios and commercial space to ensure the mixed-use and mixed-income desired by the Authority and the community. A condominium trust will be created governing the entire property and eventual management of the properties will be subject to this trust.

May 12, 1983

Once designated as tentative developers, the joint venture will submit final working drawings which will conform with the Authority's standards, guidelines and renewal plan. The project will be privately financed and the joint venture has received tentative lender interest.

This development project has been extensively reviewed and is strongly supported by the community.

I, therefore, recommend that the Authority tentatively designate the Boston Center for the Arts and Chestnut Development Associates, Joint Venturers, as redeveloper of Parcel 9D and Parcel 9E in the South End Urban Renewal Area.

An appropriate Resolution is attached.

Attachment



